Post 7/31/78

New Jury Likely in Md. Case

A special federal grand jury, blocked twice by Attorney General John N. Mitchell in its attempt to return an indictment naming members of Congress, will not be called back on the case before its 18-month term expires Monday, U.S. Attorney George Beall said yesterday.

Beall reiterated his intention to keep the case alive and said that there were "a couple possible witnesses" he may call in for testimony at an unspecified date. He said such testimony most likely would be given to another special grand jury that currently is meeting on other matters in Baltimore.

Although the special panel was blocked from returning an indictment, it partially was successful in its efforts to make public the basic charges contained in its proposed indictment.

Judge Roszel C. Thomsen, of the U.S. District Court in Baltimore, last week ordered part of the presentment given by the grand jury May 28 be made public.

The abridged version rreleased by Judge Thomsen recommended the indictment only of Victor J. Frenkil, and his firm, Baltimore Contractors, Inc. It alleged they conspired with "other persons" to defraud the United States on a contract to build underground parking garages for the House of Representatives.

Named as having roles in the alleged conspiracy to obtain $5 million in a claim for extra expenses on the original $11.7 million contract, but not charged with any wrongdoing, were Sen. Russell B. Long (D-La.), chairman of the Senate Finance Committee, and Rep. Hale Boggs (D-La.), House majority whip.

Although other members of Congress were not listed in the summary released by Thomsen, sources have said that the presentment mentions House Speaker John W. McCormack (D-Mass.), Rep. Clarence Long (D-Md.), Rep. Samuel N. Friedel (D-Md.), and former Sen. Daniel B. Brewster (D-Md.). The panel did not recommend that any of them be indicted, sources said.

Also not included in Thomsen's summary but named in the presentment, according to sources, was Nathan Voloshen, a longtime friend of McCormack's and a prominent Capitol Hill lobbyist. Voloshen last month pleaded guilty in New York to other federal charges of using the Speaker's office for influence peddling.

The summary of the presentment also named Bernard Shepard, a vice president of Baltimore Contractors, Inc., as a coconspirator, but there was no grand jury recommendation that he be indicted.

Beall, like his predecessor, Stephen H. Sachs, who left office May 31, had recommended to the Justice Department that an indictment be returned in the case. Both were barred by Mitchell from signing the indictment to give it validity.